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November 23, 2022

VIA ECF

Honorable Pamela K. Chen  
United States District Judge  
Eastern District of New York  
225 Cadman Plaza East  
Brooklyn, NY 11201

Re: SEC v. Xia, et. al., No. 21-cv-05350-PKC-RER

Dear Judge Chen:

We write on behalf of non-party Emerald Creek Capital LLC (“Emerald Creek”) and pursuant to the Court’s Order dated November 9, 2022 (Dkt. #203, the “Order”) authorizing Emerald Creek to release escrowed Interest Reserve funds from its Reserve Account for the payment of interest due to Emerald Creek under the Loan Agreement.<sup>1</sup> Pursuant to the Order’s direction requiring Emerald Creek to provide documentary proof of its payments within five days of making such payments, please see the attached letter from Emerald Creek.

Respectfully submitted,

A handwritten signature in blue ink that reads "Arthur G. Jakoby".

Arthur G. Jakoby

cc: All Counsel (ECF)

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<sup>1</sup> All capitalized terms not defined herein are as defined in the Order.



# EMERALD CREEK CAPITAL

November 23, 2022

The Honorable Pamela K. Chen  
 United States District Judge  
 United States District Court  
 Eastern District of New York  
 225 Cadman Plaza East  
 Brooklyn, New York

Re: *SEC v. Xia, et al*, United States District Court, EDNY 1:21-cv-05350 (the “SEC Action”)

Dear Judge Chen,

Pursuant to the Order of Judge Pamela K. Chen dated November 9, 2022 in the SEC Action (the “Order”), and the \$15,000,000 loan from Emerald Creek Capital 3, LLC (“ECC”) to X&Y Development Group (the “Loan”), ECC has today made a book entry payment from the Interest Reserve for the above-mentioned loan in the amount of \$1,100,387.50 to ECC. This payment represents nominal interest due from the borrower for the period October 1, 2021 – October 31, 2022, and is broken down as follows:

Interest for the period	Due Date	Interest due
Oct-21	11/01/21	\$ 72,333.33
Nov-21	12/01/21	\$ 70,000.00
Dec-21	01/01/22	\$ 72,333.33
Jan-22	02/01/22	\$ 72,333.33
Feb-22	03/01/22	\$ 66,033.33
Mar-22	04/01/22	\$ 76,854.17
Apr-22	05/01/22	\$ 76,125.00
May-22	06/01/22	\$ 83,054.17
Jun-22	07/01/22	\$ 88,875.00
Jul-22	08/01/22	\$ 98,425.00
Aug-22	09/01/22	\$ 101,654.17
Sep-22	10/01/22	\$ 106,375.00
Oct-22	11/01/22	\$ 115,991.67
		\$ 1,100,387.50

Thus, per the Court’s Order the above includes \$878,020.83 for the 11-month period of October 1, 2021, through August 31, 2022 as well as the two additional payments for September and October interest. The balance in the interest reserve account after this payment is \$504,945.83. The payment of the \$1,100,387.50 from the Interest Reserve to ECC was a book entry payment and thus there is no wire or bank entry proof.

Emerald Creek Capital 3, LLC maintains that it is entitled to interest at the default rate and reserves its rights in this respect.



EMERALD CREEK CAPITAL

EMERALD CREEK CAPITAL 3, LLC

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By: Mark Bahiri, Managing Member